



# State of Wisconsin

## LEGISLATIVE REFERENCE BUREAU

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STEPHEN R. MILLER  
CHIEF

December 16, 2011

## MEMORANDUM

**To:** Representative Zepnick

**From:** Marc E. Shovers, Managing Attorney, (608) 266-0129

**Subject:** Technical Memorandum to **2011 AB 407** (LRB-3141/1) by **DOR**

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We received the attached technical memorandum relating to your bill. This copy is for your information and your file.

If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

## **MEMORANDUM**

December 14, 2011

**TO:** Marc Shovers  
Legislative Reference Bureau

**FROM:** John Koskinen  
Brad Caruth  
Department of Revenue

**SUBJECT:** Technical Memorandum on Assembly Bill 407: Creating an Individual Income Tax Deduction for Certain Amounts Paid for Sewer, Water, and Garbage Collection Fees

The Department has the following concerns related to the bill:

This bill may increase complexity and create confusion for taxpayers. For example, garbage collection fees could be (1) a part of a property tax assessment, (2) a separate charge on a property tax bill, or (3) paid separately to a firm by individual homeowners. It could be difficult for a taxpayer to determine the amount paid for garbage collection fees if the fees are part of the property tax assessment.

Some municipalities separately charge a recycling fee. It is unclear whether a recycling fee would be considered a garbage collection fee under this bill. Similarly, taxpayers often pay a fee when disposing of TVs, computers, or certain other large items, but it is unclear whether such a situation would be considered a garbage collection fee under this bill.

If you have any questions regarding this technical memorandum, please contact Brad Caruth at (608) 261-8984 or [bradley.caruth@revenue.wi.gov](mailto:bradley.caruth@revenue.wi.gov).

cc: Representative Zepnick